



## CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

October 23, 1997

### **H.R. 960**

#### **An act to validate certain conveyances in the city of Tulare, Tulare County, California, and for other purposes**

*As ordered reported by the Senate Committee on Energy and Natural Resources  
on October 22, 1997*

H.R. 960 would give the Southern Pacific Transportation Company or its successors the right to convey title to certain lands in the city of Tulare, California, that form part of a right-of-way previously granted to the railroad by the federal government. Hence, the act would validate land conveyances where the federal government owns the underlying title and the railroad controls the right-of-way. The legislation would apply to both past and future conveyances. CBO estimates that enacting H.R. 960 would have little or no impact on the federal budget.

Under current law, if the railroad ceased to operate on the right-of-way, then land comprising the right-of-way would revert to federal ownership. According to the Bureau of Land Management (BLM), if the agency were to receive the land it would have no interest in retaining ownership and would either sell it, exchange it, or transfer it to local government. BLM estimates that the portion of the right-of-way that would be affected by H.R. 960 has a market value of about \$300,000.

Enacting H.R. 960 would affect direct spending if property that would have reverted to the federal government and been sold under current law is not sold because of conveyances made pursuant to this bill. Because H.R. 960 could affect direct spending, pay-as-you-go procedures would apply. But the likelihood of any income to the Treasury from sale of the affected property over the next 10 years is small.

H.R. 960 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act of 1995 and would impose no costs on state, local, or tribal governments. The bill would benefit the city of Tulare by clearing the title to one parcel of

land already purchased by the city and allowing the Tulare Redevelopment Agency to purchase and develop several additional parcels.

On July 3, 1997, CBO prepared a cost estimate for H.R. 960 as ordered reported by the House Committee on Resources on June 25, 1997. The two versions of H.R. 960 are identical, as are the cost estimates.

The CBO staff contacts for this estimate are Victoria V. Heid (for federal costs), and Marjorie Miller (for the state and local impact). This estimate was approved by Paul N. Van de Water, Assistant Director for Budget Analysis.